

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

IFC CREDIT CORPORATION, an
Illinois corporation,

Plaintiff,

v.

MANUFACTURERS' LEASE PLANS
INC.

Defendant/Third-Party Plaintiff,

v.

VISION FINANCIAL GROUP, INC.

Third-Party Defendant.

Case No. 07 CV 6627

Judge: Wayne R. Anderson

Magistrate Judge: Nan R. Nolan

JOINT INITIAL STATUS REPORT

1. A brief summary of the claims asserted in the complaint and any counterclaim or third-party complaint.

A. Complaint: On 10/24/07 IFC Credit Corporation ("IFC") filed the Complaint against Manufacturers' Lease Plans, Incorporated ("MLPI"). In 2004 MLPI and IFC entered into a Master Sale and Assignment Agreement which sold leases to MLPI. In 2004 MLPI and IFC entered into a Servicing and Residual Agreement that obligated MLPI to make monthly payments to IFC on the leases MLPI purchased from IFC. MLPI was to make payments to IFC after receiving payment from the lessees based on a formula contained in the Servicing Agreement (included and/or attached to complaint). At the time of the Complaint, IFC asserted, on information and belief, that MLPI had received payments from lessees for the months of July, August, September and October of 2007. No payments had or have been made by MLPI to IFC for those months or any thereafter. This amount will continue to increase with each month MLPI fails to make payment to IFC on the leases after collecting from the lessees. IFC seeks to recover from MLPI all non-payments that will have occurred up to the date a judgment is entered, and also interest and court costs.

B. On 12/6/07 MLPI filed its counterclaim against IFC. MLPI asserted that it should be able to offset losses on another portfolio against this one, that IFC breached its fiduciary duty to MLPI, that IFC breached its contract with MLPI and that IFC interfered with MLPI's business relationships.

C. On 12/6/07 MLPI v. Vision Financial Third-Party Complaint filed. MLPI asserts it should pay monies to Vision, not IFC.

D. On 3/7/08 Vision answered the Third-Party Complaint and agreed with the declaratory relief sought by MLPI. Vision also asserted a Cross Claim and Counterclaim. Vision asserts MLPI should pay it monies and attorney's fees pursuant to the Initial Assignment Agreement and IFC should pay Vision monies and attorney's fees pursuant to the Initial Assignment Agreement

2. A brief statement of the relief sought, including itemization of damages, if available.

A. IFC seeks, exclusive of interest and court costs, relief in "...the principal amount of not less than \$27,408.34, which sum shall include monthly obligations...from July, 2007, until the date of judgment is entered, together with interest thereon, from the date of default, until such sum is paid in full." The amount of \$27,408.34 demanded at the time of the Complaint includes nonpayment from July-October of 2007. The damages have continued to increase, as laid out in the complaint. The damages for the months of November 2007 – April 2008 are as follows: See the below chart for itemization of the damages. This information can be found within the Complaint and in Exhibit C of the Complaint.

Month of nonpayment	Amount owed to IFC
July 2007	\$4,107.34
August 2007	\$7,767.00
September 2007	\$7,767.00
October 2007	\$7,767.00
November 2007	\$7,767.00
December 2007	\$9,768.08
January 2008	\$13,980.60
February 2008	\$13,980.60
March 2008	\$13,980.60
April 2008	\$48,529.18

B. With regard to IFC, MLPI seeks \$107,003.00 as a result of lost rental income and associated charges, damages equal in amount to the approximately \$135,000.00 to which IFC claims it will ultimately be entitled in residual commissions from the Royster Clark leases and damages of \$129,348.94 due to IFC's breach of contract. With regard to Vision, MLPI seeks to determine the nature of its obligation to Vision with regard to the \$74,331.54 claimed as owed by Vision.

C. Vision seeks \$74,331.54 from MLPI or IFC.

3. A brief description of the matter referred to the magistrate judge for ruling or report and recommendation or alternatively, attach a copy of the referral order.

See attached.

4. The status of any briefing on the matters referred.

There is no pending briefing schedule.

5. If the case has been referred for discovery matters, a description of the discovery that has been completed, and the future discovery that is contemplated. Please be specific about the number of depositions that have been taken and that are contemplated in the future. Please also indicate whether there is a discovery cut off date in place.

No depositions have been taken. Parties anticipate 3-5 depositions. No discovery cut off date is in place. For a list of all discovery completed to date see below chart.

Admissions	Interrogatories	Production	Disclosures
IFC request to MLPI (2-4-08)	IFC request to MLPI (2-4-08)	IFC request to MLPI (2-4-08)	IFC's F.R.C.P Rule 7.1 Disclosure Statement (3-19-08)
MLPI response to IFC (2-21-08)	MLPI answers to IFC (3-12-08)	MLPI response to IFC (4-1-08)	IFC to MLPI – Rule 26(a)(1) Disclosures (1-29-08)
MLPI request to IFC (4-9-08)	MLPI request to IFC (5-1-08)	MLPI Amended Response to IFC (4-9-08)	MLPI to IFC – Rule 26(a)(1) Disclosures (2-20-08)
IFC Answers to MLPI (5-9-08)	IFC anticipates answers to MLPI	MLPI request to IFC (4-9-08)	
		IFC response to MLPI (5-9-08)	

6. Whether the parties will consent to trial before a magistrate judge.

IFC and Vision consent to trial before a magistrate judge. MLPI does not consent to trial before a magistrate judge.

7. The status of settlement negotiations, if any.

This is the only paragraph not agreed-upon by the parties. Two versions are therefore set forth below.

Per IFC and Vision

MLPI backed out of a settlement negotiated by all three parties which would have released the funds due Vision and would have dismissed Vision as a party to the action. No further discussions have been had.

Per MLPI

IFC alleges that MLPI backed out of a settlement negotiated by all three parties and no further discussions have been had. MLPI's position is that while settlement has been discussed, no meaning full negotiations have taken place.